

**PCIE - Financial Statement Audit Forum  
(Tuesday, September 18, 2000)**

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**GAO Checklists for  
Reviewing Systems Under the  
FFMIA**

**(9:15 - 9:45am)**

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# GAO Checklists - Reviewing Systems Under FFMIA Talk Outline

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Background and Requirements

Financial Management System Requirements

Guidance Available to Agencies

GAO Checklists

# GAO Checklists - Reviewing Systems Under FFMIA Background - Requirements

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Federal Financial Management Improvement Act of 1996 (FFMIA) (31 USC 3512) requires:

1. Agency Financial Management Systems to Comply Substantially with financial management system requirements.
2. Agencies to annually review their financial management systems.

## GAO Checklists - Reviewing Systems Under FFMIA Background - Requirements

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3. For noncompliance items,
  - a. Agency heads are to report to OMB
  - b. Agency heads & OMB are to set forth a plan for compliance within 3 years
  - c. OMB is to report this to the Congress
  - d. IG's are to report to the Congress when agency target dates are not met

# GAO Checklists - Reviewing Systems Under FFMIA Background - Requirements

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4. GAO is to report annually to the Congress on agency compliance with requirements.

## GAO Checklists - Reviewing Systems Under FFMIA Financial Management System Requirements

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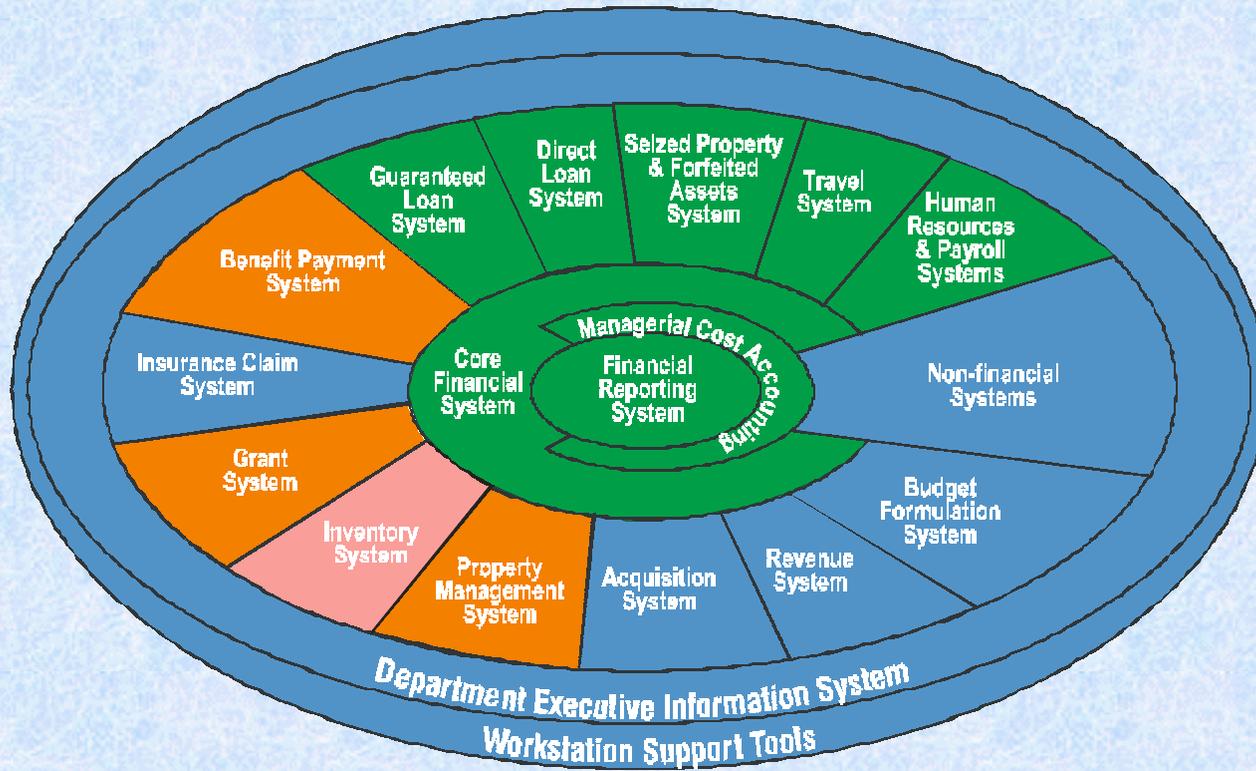
The JFMIP's Financial Management Systems Series is generally recognized throughout the Federal Sector as the standards or criteria for systems.

JFMIP has identified the series as containing 17 discrete systems plus the Framework for the systems

The “wheel” diagram in each JFMIP document



June 2000



■ Relissued    
 ■ Once Issued    
 ■ Update in Process    
 ■ Never Issued

# GAO Checklists - Reviewing Systems Under FFMIA Financial Management System Requirements

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Once Issued:

Framework for Financial Management System  
Inventory System

Note: The Framework document is not considered a  
systems “requirements” document.

# GAO Checklists - Reviewing Systems Under FFMIA Financial Management System Requirements

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Reissued or Newly Issued:

Managerial Cost Accounting

Core Financial Systems

Human Resource and Payroll Systems

Direct Loan System

Travel System

Seized Property & Forfeited Asset System

Guaranteed Loan System

Grant Financial System Requirements

# GAO Checklists - Reviewing Systems Under FFMIA Financial Management System Requirements

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Update in Process:

Benefit Payment System

Property Management System (Exposure  
Draft Issued or Near Being Issued)

# GAO Checklists - Reviewing Systems Under FFMIA Financial Management System Requirements

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## Never Issued:

Insurance Claims System

Non-financial Systems

Budget Formulation System

Revenue System

Acquisition System

Department Executive Information System

# GAO Checklists - Reviewing Systems Under FFMIA Financial Management System Requirements

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## The JFMIP Process

Each systems document includes functional requirements which can either be:

Mandatory - Minimal acceptable functionality systems must be capable of doing (the standard)

Value Added - Preferred or best practice (not required)

# GAO Checklists - Reviewing Systems Under FFMIA Guidance Available to Agencies

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- OMB Circular A127 Financial Management System Requirements
- OMB Bulletin 98-08 Audit Requirements for Federal Financial Statements
- OMB Circular A130 Automated Information Security Programs
- Joint JFMIP/CFO Financial Management System Compliance Review Guide

# GAO Checklists - Reviewing Systems Under FFMIA

## GAO Checklists

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What the Checklists Are

The Process to Complete Each Checklist

The Purpose of the Checklists

Checklists completed to date: (7 Completed)

Framework

Core

Inventory

# GAO Checklists - Reviewing Systems Under FFMIA

## GAO Checklists

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Managerial Cost

Human Resource and Payroll

Direct Loan

Travel System

Exposure Draft: Seized Property and Forfeited Assets  
Guaranteed Loan System

Being Drafted: Grant System

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# GAO Checklists - Reviewing Systems Under FFMIA

## GAO Checklists

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How to get copies:

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Washington DC 20548  
Call (202) 512-6000

Internet: GAO Home Page [www.gao.gov](http://www.gao.gov)  
Under “Other Publications”